

Frequently Asked Questions About the SmartPay Program

Q. Who is eligible to have a SmartPay Card?

A. Any employee on a permanent, term, temporary or seasonal appointment authority may have a SmartPay card. Employees who travel on official business are **required** to have a SmartPay card to pay for all travel related expenses.

Q. What is the difference between centrally billed and individually billed transactions?

A. Some items that you charge to your card are billed directly to your agency so you don't have to pay for them on your monthly statement. These are **called centrally billed transactions**. You can tell on your statement when something is centrally billed because an "M" will appear next to the charge. Some travel-related expenses that you charge to your card **are individually billed**, i.e., billed directly to you and you are expected to pay for them in full when you receive your monthly statement. These include things like hotel and restaurant bills and cash advances that you get from Automated Teller Machines (ATM).

Q. What charges get centrally billed and what charges get individually billed?

A. If you use your card for over-the-counter purchases from retail vendors, those charges get centrally billed. If you use your card for travel, some of those expenses, like airline, bus and train tickets, car rentals, fuel for rental cars, parking fees, and taxi and shuttle services also get centrally billed. All other travel-related expenses that you charge to your card are individually billed. Most common among these are hotel and restaurant bills, grocery bills, and cash advances that you get from Automated Teller Machines (ATM).

Q. What are my responsibilities as a Reviewing Official?

A. If you are a designated reviewing official, you are responsible for approving cardholder participation in the Program, setting monthly purchase limits for those with purchase authority, and reviewing the activity of cardholders to make sure that they are using the card properly. Reviews must be made monthly by looking at cardholder card use either from the cardholder's billing statement or through the EAGLS web site. Copies of the paperwork used for this review must be maintained for three years. During the review process, if you find that an item was inappropriately acquired, you must make sure that the cardholder returns the item for credit. Should the item be unavailable to return, a bill of collection must be issued to the cardholder. For additional information or help with problems, contact your park or office A/OPC.

Q. What are my responsibilities as a cardholder?

A. As a cardholder you are responsible for ensuring that your card is used by you and ONLY you, and solely for official and authorized purposes as part of your government employment. You also have to make sure that charges posted to your account are not only correct but that mistakes are fixed as soon after receipt of your monthly statement as possible. If you use your card for over-the-counter purchases, you must retain all original receipts for a period of three years and clearly write on your monthly statement a description of each item that you purchase. All employees are responsible for paying the balance of their account in full every month.

Q. What do I have to do in order to get a SmartPay card?

A. Before you can have a card, you and your reviewing official must know the right way to use it. The policy manual, along with information you'll get from the issuing bank, tells you how. If you are going to use the card for travel, you need to read the information in Chapter 4. If your supervisor wants you to use the card to buy items needed on the job, you both must study the special rules and procedures for purchasing goods and services described in Chapter 3, and you must pass a test to show that you know the special legal requirements for such use. See Chapter 3 for details.

Q. I am about to transfer to another park. Do I have to turn in my SmartPay card or can I keep it?

A. As long as you stay with National Park Service, your account can follow you to any new park or office. When your employment with the National Park Service is terminated (regardless of whether by resignation, retirement or involuntary separation), your card must be turned in and your account closed. This is the case, even if you transfer to another bureau in the Department of the Interior. Your account cannot be closed, however, until all your individually billed charges are paid. Parks / offices will implement procedures as part of the employee "check out" process for ensuring this happens.

Q. What happens if I use my card inappropriately?

A. If you use the card in ways that are not authorized, you may be committing fraud against the U.S. Government. If this happens, you will have your card immediately cancelled, and disciplinary action may be taken against you. This could include suspension and/or removal from your job. You will also have to pay back the Government for any non-approved purchases you may have made and you could be fined up to \$10,000 and / or imprisoned for up to five years.

Q. What do I do if my card gets lost or stolen?

A. You must immediately:

- Call the issuing bank to let them know that the card is missing (800-472-1424).
- Tell your reviewing official.
- Tell your park or office A/OPC.

Your account will be immediately blocked and you will be sent a replacement card with a new number. You will not be held responsible for unauthorized charges.

Q. What if I cannot pay the balance of my SmartPay card?

A. There is no reason why you should not be able to pay off the balance of your SmartPay card each month. The only charges that you are responsible for are those that you incur on travel, and those are reimbursed to you through your travel voucher. However, if you do not pay the balance of your account within 61 days, your account will be suspended and your A/OPC will be notified. Your A/OPC will, in turn, notify your reviewing official. At that point, the issuing bank may take collection actions. If your account is not paid within 96 days your account will be cancelled. If you are 120 days late in paying your bill, you will be charged \$20 per month until the bill is paid in full. You are personally responsible for paying these charges. If the issuing bank has to send your bill out to a collection agency, you will be

charged up to 25% of the account balance in addition to other collection and court costs. These charges and costs, along with the original debt, can be involuntarily withheld from your biweekly paycheck.

Q. What happens if I my payment check bounces?

A. If your payment check to the issuing bank is returned for non-sufficient funds, you will be charged \$20.

Q. What do I do if I find a charge that was individually billed instead of centrally billed?

A. If you find a charge that was individually billed instead of centrally billed (or vice-verse) contact you're a/OPC and request that person to change the billing through the issuing bank.

Q. What do I do if I find a billing error on my statement?

A. The first course of action is to contact the vendor and attempt to straighten the problem out directly with them. If your attempts to correct the error with the vendor fail, you should file a formal dispute of the charge with the issuing bank. You can do this on-line through EAGLS or you can call the Government Card Services Unit (GCSU) at 800-472-1424. Charges that you dispute will be temporarily taken off your account and you'll be sent a form so you can explain the dispute. You'll need to return this form to the issuing bank within 60 days after you receive a statement that's in error. The issuing bank will resolve the problem within 60-90 days after receiving your dispute form, and you'll be sent a letter saying they've done so.

Q. Are the charges I make with my SmartPay card tax exempt?

A. Most states limit tax exemption status to centrally billed transactions. As such, over-the-counter purchases are generally tax exempt, although some states are allowed to charge state taxes for purchases made by federal employees. Tax exemption is generally not granted for charges that get individually billed, most notably, lodging, restaurant and grocery vendors. Rental car and gasoline charges are also generally not tax exempt. Cardholders should, none the less, mention the tax exempt number to merchants whenever there are questions regarding tax exempt status. Further state specific tax information may be found at: <http://www.taxweb.com /state/index.html>

Q. Can I use my personal credit card for travel instead of my SmartPay card?

A. No! You are **required** to use your card for all reimbursable travel expenses related to temporary duty travel. The only exceptions are for expenses incurred from vendors who characteristically do not accept the card; specifically, taxi and other local transportation systems, laundry and dry cleaning services and local parking.

Q. I am transferring to another park on PCS orders. Can I use my SmartPay card to pay for my expenses?

A. You can use your card for (PCS) costs providing it is specifically authorized in the PCS travel orders. When used for PCS travel, the card may only be used for house hunting expenses and for expenses incurred en-route to your new duty station. The card may not be used to pay for temporary quarters expenses once you have arrived at your new duty station.

Q. When I get gasoline at a pump using my SmartPay card, what should I do if I am prompted for a PIN number?

A. The pin number to use is 999999.

Q. Can I take out a cash advance on my SmartPay card to pay for a personal vacation so long as I pay the balance on the statement when it comes due?

A. No! A cash advance can only be obtained for official travel and it must be approved on your travel authorization.

Q. How much money can I take out as a cash advance?

A. Cash advances should not exceed the expected local allowance for meals and incidental expenses (M&IE), and for other expenses that you might not be able to charge on the card. Your card may be used to obtain cash advances from most automated teller machines (ATM) for up to \$250 per day / \$500 per week.

Q. How often can I take out cash advances while I am on travel?

A. You should get your cash advance no earlier than three days before your trip. You can obtain additional cash advances during your trip up to the last day of your travel.

Q. Who pays for the ATM fees?

A. There will be a 1.9% service fee based on the amount of the cash advance; there may also be an ATM service fee. Both of these fees are reimbursable, and should be listed on your travel voucher.

Q. How do I fill out my travel voucher with some expenses being centrally billed and others being individually billed?

A. You should list all reimbursable expenses on your travel voucher. When completing a travel voucher you should claim reimbursement for M&IE, lodging, mileage, ATM fees, local transportation and other miscellaneous expenses that will be individually billed. The travel expenses that are centrally billed, such as airline, train, car rental, fuel and airport parking, are not to be claimed for reimbursement on your travel voucher. However, they must be listed, by description and amount, in "Block 12" of the voucher with the annotation "CBA" for centrally billed. Receipts for all lodging and transportation expenses regardless of the amount, and for all expenses over \$75.00 must be attached to the travel voucher. You should keep a copy of the voucher and all receipts in case a question or problem comes up about your reimbursement.

Q. I am going on travel next week and I want to stay over for a couple of days to visit my relatives. Since my car rental will be centrally billed, how do I handle the extra expense?

There are two ways of doing this. The preferred alternative is to return your rental car and check out a new car using your personal credit card. However, if this is too inconvenient (due to the location of the rental company to where you are working) you may also keep the charge on your SmartPay card and

compute the difference between the government cost and your personal cost. You may write a check for the difference, payable to the National Park Service, and submit the check along with your travel voucher to AOC.

Q. Who should have a purchase (credit) card?

A. Consideration should be given to those individuals who frequently acquire goods and services under \$2,500 per transaction; heavy users of Blanket Purchase Agreements (BPA's), imprest funds, and third party drafts; and employees routinely making over-the-counter type purchases. This information should be obtained by using historical records as well as past managerial experience.

Q. What other considerations should be taken into account concerning the purchase card?

A. Individuals should primarily use only one account number as the card will only be linked to one NPS account. Any charges to multiple account numbers will have to be transferred to the appropriate account either by ET's or the FFS Electronic Interface. Since one of the primary goals of the issuance of credit cards is to reduce the amount of paperwork, you need to consider the appropriateness of issuing one card to users of many account numbers. Multiple cards for multiple account numbers can be established for an individual but this could be confusing and onerous on its own.

Q. We plan to issue one card to a single person in our division to accomplish the purchasing for all of the division. Is this permitted?

A. Issuing a card to an individual in a division who will conduct centralized acquisition activities (i.e., program clerk for maintenance division, administrative clerk for the ranger division, administrative technician/officer for a park, etc.) for a division or organization is discouraged. The primary goal of the credit cards is to place the responsibility and authority for the acquisition of goods and services, limited to the management controls identified in the overall program, to the LOWEST level of the organization (i.e., maintenance worker, district and subdistrict rangers, regional division employees, etc.). To issue cards only to the park purchasing office or centralized purchasing within a regional division defeats the purpose of the program.

Q. Can i make a purchase through the internet?

A. Yes, you can take advantage of the Internet to acquire goods and services. The cardholder is responsible for any potential misuse of the purchase card (regardless of the circumstances). Provided the cardholder is satisfied there are sufficient safeguards in place and is willing to dispute charges that may accrue from misuse of the card, there is no reason why an Internet acquisition could not be made.

However, there is great potential for fraud and abuse when using the purchase card over the Internet. According to a December 1996 issue of Barron's, a survey of 1,734 Internet cites (including banks, credit unions, and the Federal Government), found that approximately 65 percent had suffered security lapses in the past two months. According to one source, a third of the lapses were described as "serious".

Make purchases via Internet on secured links only. For non-secured link transactions, contact the vendor by telephone to make advanced purchase card arrangements, particularly if the need may be recurring, so that the Internet could be used for further purchases without having to enter the purchase card number.

It is anticipated that in the near future, Internet security will be a major component of numerous browsers. The Office of Information Resources Management issued a Quarterly Information Technology Security Awareness Bulletin dated February 1997 that presents a computer use's guide for securing sensitive information. The document is at <http://www.doi.gov/oirm/itsecab.html>.

Q. Can seasonals/temporaries be issued purchase cards?

A. Due to training issues, the lead time in getting the cards to seasonal and temporary employees (2-4 weeks), and the cutoff prior to the end of their season to assure that they would be available to verify their purchases and forward to an approving official, it may not be worthwhile to consider. However, there are options for managing this on a long-term basis. If your temporary employee returns each year, it may be worthwhile to invest in the training. In such cases, their purchase card must be collected upon their official separation, inactivated until their return and then reactivated. Another option would be to safeguard the purchase card upon their termination by placing it in a safe or other secure location and reissuing it upon their return to duty.

Q. Which accounts are purchase cards issued for? All park accounts or just the basic ONPS accounts that recur each year? For instance, will cyclic and repair/rehab project accounts be eligible for cards each year as they are funded?

A. In theory, any accounts are eligible to be used with purchase cards but in practice the only account numbers it might be practicable for may be ONPS accounts. It could be a lot of work to process cancellation of the old cards tied to prior year accounts and establishing new cards each fiscal year. It may be easier, depending upon the transaction levels, to transfer the charges to the appropriate accounts through your budget/finance office rather than deal with different annually expiring account numbers and credit cards.

Q. Can anyone be designated as the park's purchase card trainer?

A. National Park Service (NPS) policy is that training is to be given by a warranted Contracting Officer or senior acquisition official. Therefore, park training coordinator positions are restricted to warranted contracting officers.

Q. Does the training cover required sources of supply; distribution of purchases among qualified suppliers; who the qualified suppliers are; splitting orders; and the davis-bacon act?

A. Yes, the training covers the regulations as they pertain to all the issues mentioned and some additional ones in a significant amount of detail. Potential approving officials and cardholders must also take and pass a test administered by a warranted contracting officer.

Q. Can one employee use another employee's purchase card?

A. No. Purchase cards are tied specifically to an individual. No one else may use another individual's card. However, anyone can acquire goods or services for someone else and then arrange to ET those charges to their account (if a different account is used). However, we would recommend that you see your park's warranted Contracting Officer if you need to acquire something and do not have a credit card.

Q. Since approval is after the purchase has been completed, what happens in the case of a non-approved purchase?

A. If someone violates a regulation, they will be required to pay for the purchase or make arrangements to return the item(s), if possible. In addition, individuals who commit fraud; fail to follow regulations and/or waste government resources, are subject to disciplinary action. If a cardholder acquires goods or services using the card, but the approving official decides the cardholder just doesn't like what was done and the action isn't tied to any violation of process or regulations, the only recourse would be for the approving official to terminate the card. The basic assumption is that with training, an individual can avoid the problems of committing an illegal acquisition.

Q. Since the approval official is not normally someone involved in purchasing, it is doubtful that this person will know anymore about acquisition regulations than does the cardholder. What happens and who is responsible for an illegal purchase that is approved and discovered during a review or audit?

A. Usually, no one other than the cardholder or the approving official will be reviewing the individual transactions on a regular basis for adherence to the regulations (i.e., there is little oversight by AOC or a warranted Contracting Officer in the day-to-day administration of the program). Occasionally, the RPC will look at consolidated and individual reports to detect trends and patterns of misuse. It's actually designed that way on purpose! The approving official is the last point of contact on determinations of what is appropriate. If an approving official determines that an acquisition was illegal, one of two things could happen. The cardholder works with the merchant and returns the items for credit or a bill for collection is issued to the cardholder for the cost of the item and they own it.

The approving official (and the cardholder for that matter) can and should always consult with a warranted Contracting Officer before making a determination if they have any doubts. It is best to resolve any doubts about the appropriateness of a specific acquisition with a warranted Contracting Officer prior to making a commitment. We would expect significant consultation between warranted Contracting Officers, cardholders, and approving officials during the first six to twelve months after they receive their cards.

In addition, once a year at minimum, the Regional Program Coordinator will conduct a review of the cardholders and approving official's management of the program. If there are problems, and they are serious, the cards can be revoked!

Q. What is the in-park time frame for verifications and approval of the monthly purchase statement? Is there a mechanism for either speeding up the process or allowing sufficient time?

A. The cardholder has five days to prepare the review and get their monthly statement to their approving official. The approving official has ten days to approve and forward to AOC. The system has some built-in safeguards. For example, if the cardholder is away from the office and will not be able to meet the five day deadline, the approving official can approve the monthly statement without the cardholder. If an approving official is unavailable, any other approving official or warranted Contracting Officer can step in. AOC will not hold up processing the billing to RMBCS if they don't receive the statement but they do eventually need the statement within these time frames to adhere to the regulations concerning the program. Unfortunately, the time frames are a part of the card regulations. Certainly, any minor deviations on an occasional basis will not result in card revocation but repeated lateness will be seriously reviewed.

Q. Who is responsible for maintaining the paperwork?

A. Since only the cardholders and approving officials are "in the loop", they are the parties responsible for keeping copies of the records for later audit and problem resolution.

Q. Do we still need requisitions?

A. There is no requirement for requisitions for items acquired with purchase cards. However, some parks or regional divisions may still require requisitions (DI-1's) for budget tracking and fiscal control purposes. We encourage park administrators to consider alternate methods for tracking budgets without resorting to requiring requisitions.

Q. How should we handle receiving on the items acquired by using the purchase cards?

A. Many park offices have established Receiving Officers and locations for accepting the goods and services ordered by a warranted Contracting Officer. Unlike other types of orders, only the cardholder will be expecting the delivery of goods and services ordered using their cards. We recommend that parks change their internal procedures in order to identify the packages arriving for individuals ordering the materials and process using a purchase card. Since many acquisition offices identify the obligation document as a part of their shipping instructions to vendors, you may want to consider an attention line identifying the orderer's name.

Q. Is there anything special we should consider in relation to shipping charges? What should we do if the shipping charges are in excess of \$250?

A. You should specifically authorize shipping charges whenever you make a telephone purchase using your card. If the shipping charges will be in excess of \$250, a Government Bill of Lading (GBL) will be required. At this point, we'd recommend that you contact a warranted Contracting Officer or purchasing agent for details on what to do next as it may be more appropriate to have them handle this purchase due to complexities of shipping on a GBL.

Q. Is there anything that would prevent us from issuing a statement of work/scope of work for projects charged to purchase cards?

A. Yes. You should not issue a Statement of Work/Scope of Work and pay for the work using the purchase card. To accomplish this, you may want to consider using an alternative method of acquisition (i.e., purchase order). Remember that the card is designed to acquire commonly available goods and services that are available over-the-counter. Whenever the government's needs are for a special non-standard service or material requiring a special statement or scope of work, an alternate method of acquisition might be more appropriate.

Q. Can i use my purchase card at other government agencies (GSA, NOAA, U.S.G.S., etc.?)

A. Yes. You may use your purchase card at any location accepting VISA credit cards. If these agencies accept VISA, then you may purchase appropriate items from these agencies.

Q. Can i use my purchase card to charge office of aircraft services (OAS) charters?

A. No. OAS entered into contracts to provide these charter services and has established separate procedures for billing (OAS Form 22 and 23). If we were to use the purchase card, we would not be conforming to the terms and conditions of their contracts. In addition, OAS would not have a mechanism to recoup the 9 percent OAS surcharge.

Q. What happens to the rebate obtained by prompt payment of the rmbcs invoice?

A. The rebate is applied to Servicewide deficiencies which are underfunded on a Servicewide basis such as telecommunications costs, unemployment compensation, space leasing, etc. This indirectly benefits all parts of the NPS organization (parks, regions, support office, service centers, and headquarters) by reducing the need to assess or reduce program funds in areas having a direct mission function of the NPS.

